

# Revised Proposal for a 1915(b) Waiver Modification - Indiana

This is an addendum to modify the existing 1915(b) waiver to implement a PCCM managed care program, for the aged, blind and disabled populations. Unless otherwise indicated in this addendum, the information contained in the current 1915(b) waiver, which includes the Hoosier Healthwise managed care program for the TANF and related populations, will remain unchanged. Attachments include the legislation instituting managed care for the additional populations, the State Plan definition of disability, the draft PMP agreement, and the cost effectiveness demonstration.

## A. General Impact

### I. Background

The 2002 General Assembly passed a law (Attachment 1: Senate Enrolled Act 228, Section 39) which requires OMPP to amend the State's waiver under 42 U.S.C. 1396n(b)(1) to include the aged, blind, and disabled in the managed care program under IC 12-15-12. The waiver amendment must be submitted by September 1, 2002. Pending federal approval by CMS, OMPP expects to implement the program, in a phased-in approach, beginning January 1, 2003.

In general, approximately two-thirds of Indiana Medicaid enrollees are currently enrolled in the Hoosier Healthwise managed care program for children, pregnant women, and low-income families. The new aged, blind, and disabled (ABD) managed care program, *Medicaid Select*, will include individuals in the following aid categories, including those who qualify for spenddown: children receiving adoptive services, aged, blind, and disabled enrollees, Medicare and Medicaid dual eligibles, and individuals receiving Room and Board Assistance. At this time OMPP estimates that 105,000 individuals will be covered under *Medicaid Select*. The program will be mandatory for the enrollees described above. Persons in nursing homes and other institutions, such as ICF/MR facilities, and those enrolled in waiver or hospice services will be excluded from *Medicaid Select*.

*Medicaid Select* will be phased in across the state based on region under a Primary Care Case Management (PCCM) model (fee-for-service plus an administrative fee payment for physicians). The managed care concept for both Hoosier Healthwise and *Medicaid Select* revolves around selecting your own Primary Medicaid Provider (PMP) to serve as the coordinator of all of your health care needs.

In addition to the existing managed care committees, a *Medicaid Select* Advisory Committee will be created which will consist of one PMP and one specialist, 2 members or family representatives, an aged advocate, a mental health advocate, a disability advocate, a children with special needs advocate, a Medicare representative, and an office manager/billing manager.

### II. General Description of Waiver Modification

Individuals in the new aged, blind, and disabled (ABD) managed care program, *Medicaid Select*, will include (including spenddown): children receiving adoptive services, aged, blind, and disabled enrollees, Medicare and Medicaid dual eligibles, and individuals receiving Room and Board Assistance. The program will be mandatory for the enrollees described above under a Primary Care Case Management (PCCM) model. Persons in nursing homes and other

institutions, such as ICF/MR facilities, and those enrolled in waiver or hospice services will not be enrolled in *Medicaid Select*.

- b. Effective dates: January 1, 2003 through renewal of current 1915(b) waiver (expected in April 2003)
  - 1. The additional waiver program is called *Medicaid Select*.
  - 2. State Contact: The State contact person for this waiver is John Barth, Managed Care Director, and he can be reached by telephone at (317) 233-0237 or by fax at (317) 232-7382, or by email at [jbarth@fssa.state.in.us](mailto:jbarth@fssa.state.in.us).
  - 3. The *Medicaid Select* program will consist of PCCM only for the first calendar year of the program. It may expand to offer both PCCM and RBMC in calendar year 2004 or later, therefore this proposal modification will cover PCCM only.
- i. Geographical areas: The program, which will use the same regional designations as Hoosier Healthwise, will be implemented in 4 phases statewide beginning with Marion County (1<sup>st</sup> quarter of calendar year 2003), the Central region (2<sup>nd</sup> quarter), the Northern region in (3<sup>rd</sup> quarter), and the Southern region (4<sup>th</sup> quarter). Lifemark (soon to be known as AmeriChoice), the current Hoosier Healthwise enrollment broker and PCCM Administrator will be assuming the same duties for the *Medicaid Select* program.
- j. Requirement for Choice
  - 1(b) *Medicaid Select* will be one PCCM system with a choice of two or more Primary Care Case Managers (known as Primary Medical Providers or PMPs).
- k. Waiver Population Included: add 3, 4, 5 as defined below, including individuals on spenddown.

Aid Category Description	Aid Code
Children Receiving Adoption Assistance	8
Aged	A
Blind	B
Disabled (as defined in the State Plan)	D
Room and Board Assistance (RBA)	R
Qualified Medicare Beneficiary(QMB) *** If in combination with another aid category	L
Special Low Income Medicare Beneficiary(SLIMB) *** If in combination with another aid category	J
Ticket-to-Work (aka MedWorks, as defined in the State Plan)	DI or DW

- l. 1. Remove this exclusion. Members with Medicare coverage will be included in *Medicaid Select*.
- 5. Members cannot be enrolled in both Hoosier Healthwise and in *Medicaid Select* concurrently.

### ***III. Program Impact***

#### **b. Enrollment/Disenrollment**

2. (b) *Medicaid Select* enrollment broker will be Lifemark Corporation (soon to be known as AmeriChoice) and the duties encourage more use of community resources specific to the population. Functions of Enrollment Broker include: choice counseling of enrollees to aid in selection of PMP; Helpline maintenance; subcontract with local community resources for outreach and education.
4. (e) *Medicaid Select* members will have 60 days to choose a PMP. If they do not choose a PMP within 60 days they will be auto-assigned to one.  
(g) The auto-assignment process will be similar to the Hoosier Healthwise auto-assignment process with the following exceptions:
  - 60 days to choose a PMP instead of the 30 days in Hoosier Healthwise.
  - Medicare dual eligibles will only be default auto-assigned to Medicare enrolled PMPs.
  - While a specialist can be a PMP, no auto-assignments will go to a specialist. The member will have to self-select a specialist in order to be linked to the specialist. However, once the selection is made, if the member loses eligibility and returns, the member can choose a new PMP or be auto-assigned back to the specialist as the previous PMP.  
(h) Guaranteed one-year continuous eligibility has been eliminated for Medicaid and CHIP-enrolled children, effective July 1, 2002.  
(i) Member request for exemption - Similar policy for *Medicaid Select*.  
(j) Re-enrollment with same PMP - Similar policy for *Medicaid Select*.
5. Disenrollment policy will be similar to Hoosier Healthwise policy.

#### **c. Entity Type or Specific Waiver Requirements**

6. (h) Any physician who is not a Pediatrician, Family Practitioner, Internist, General Practitioner, or OB/GYN may also enroll as a *Medicaid Select* PMP, including specialists, as long as they are willing to abide by the PMP requirements.
8. (a) A fee of four dollars (\$4.00) per member per month will be paid to the Primary Care Case Manager (i.e., PMP).

## **B. Access and Capacity**

### ***III. Capacity Standards***

#### **a. MCO/PHP Capacity Standards**

1. The PMP recommended panel sizes will be a minimum of 50 and a maximum of 1,000 *Medicaid Select* members. Panel sizes smaller or larger than the recommended will be reviewed on a case-by-case basis by OMPP. The initial panel size is set by physician request.

4. Numbers of providers by type: Hoosier Healthwise PMPs may also choose to be *Medicaid Select* PMPs. However, the expected *Medicaid Select* PMP numbers below are estimated by taking the number of enrolled Medicaid providers in the respective provider types who are not currently Hoosier Healthwise PMPs. For all the types, except Ob/Gyn, that number was divided in half. (For Ob/Gyns, it was divided by 4 because of the historical reluctance of Ob/Gyns to be PMPs.) Because these physicians already care for this population in the fee-for-service Medicaid, they are good candidates for *Medicaid Select* PMPs.

Providers	# in Current Waiver (July 2002)	# Expected in Medicaid Select (January 2004)
<b>Physicians: PCCM PMPs</b>		
FP, FP/O	685	345
GP, GP/O	94	53
Internal Med.	156	475
OB/GYN	184	158
Pediatricians*	269	33
<b>FQHCs</b>	11	11
<b>Hospitals</b>	246	246

\* Note: Few children are eligible for *Medicaid Select* because most children are enrolled in Hoosier Healthwise so the number of additional pediatricians that will be necessary to serve this population can be small.

#### **b. PCP Capacity Standards**

4. Due to the first year phase-in of provider/member enrollment for the *Medicaid Select* program we do not have any enrollment ratio data but it will not exceed current Hoosier Healthwise member to PMP ratios, especially since the panel size limit will be much less than Hoosier Healthwise, i.e., 50-1000. The State will keep track of both member and PMP enrollments to ensure appropriate access and member-to-PMP ratios, much like we do for pediatric access in Hoosier Healthwise.

### **C. Quality of Care and Services**

#### ***VIII. Monitoring Quality of Services***

- a. Monitoring Methods
  - 4. No PMP profiling.
- b. Quality Improvement
  - 2. No PMP profiling.

### **D. Cost Effectiveness**

Please see Attachment 2 for the *Medicaid Select* cost effectiveness demonstration.

## **F. Special Populations**

### ***I. General Provision for Special Populations***

- a. *Medicaid Select* is designed specifically for “special populations,” i.e., the aged, blind and disabled, based on their Medicaid eligibility aid category, including those who qualify for spenddown, rather than the Hoosier Healthwise definition of “Children with Special Health Care Needs.” Attachment 3 is the definition of disability as provided in the State Plan.
- b. Populations Included: The aged, the blind and the disabled, excluding those in nursing homes or other institutions, or enrolled in home- and community-based waiver or hospice services. Please see list of aid categories included in *Medicaid Select* above in A.II.k.
- c. Collaboration and Coordination with Agencies and Advocates. A *Medicaid Select* Advisory Committee will be created which will consist of: one PMP and one specialist, 2 members or family representatives, an aged advocate, a mental health advocate, a disability advocate, a children with special needs advocate, a Medicare representative, and an office manager/billing manager. In addition to the coordination efforts already in place with the Division of Mental Health, Division of Disability, Aging and Rehab Services (DDARS), First Steps and Children with Special Health Care Services (CSHCS), the enrollment broker is to subcontract with community organizations to help educate members about the program.
- e. Since the *Medicaid Select* members are identified by their aid category, we will be able to monitor for access to services. We will also arrange for a member satisfaction survey in the future.
- f. PMP Compliance with ADA. The PMP agreement will include this requirement.
- g. Performance Measures and Improvement Projects. Specific performance measures have not yet been developed, other than those applicable measures already in place for Hoosier Healthwise, such as appointment standards, etc.

### ***II. State Requirement for Providers***

- d. Any physician, even if not a Pediatrician, Family Practitioner, Internist, General Practitioner, or OB/GYN, may enroll as a *Medicaid Select* PMP, as long as they are willing to abide by the PMP requirements in their agreement. Members will be able to choose a specialist on a self-select basis. The draft PMP agreement is Attachment 4.

## **G. Complaints, Grievances, and Fair Hearings**

### ***II. State Requirements and State Monitoring Activities***

- c. 1. As with Hoosier Healthwise, the *Medicaid Select* enrollment broker/PCCM administrator will maintain the Helpline and track the type of calls received, including complaints. Data on types, numbers, and average time to resolve, complaints and grievances will be reported monthly to the Office and the monitoring contractor.

## **H. Enrollee Information and Rights**

### ***I. Enrollee Information – Understandable to Enrollees***

- f. The State will require that *Medicaid Select* enrollee information be developed in alternative formats for those with visual impairments.

### ***III. Enrollee Rights***

- m. *Medicaid Select* will allow direct access to specialists as PMPs for beneficiaries with long-term or chronic care needs.